



August 2010

Strategic tourism marketing and policy decisions depend on accurate, consistent tracking of business indicators such as lodging statistics, attraction and welcome center visitation, transportation statistics and more. The intent of the North Carolina Travel Tracker is to provide up-to-date and relevant tourism indicators for both the state and individual regions within the state. With data from the Travel Tracker, program areas and industry partners can strategically plan, implement and evaluate processes and programs.

The following report analyzes a variety of tourism indicators by 1) State, 2) the three geographic marketing regions (coastal, piedmont and mountain), and for some indicators 3) the seven economic development regions. As well as providing a review of the current state of business, the report provides a year-to-date analysis and comparisons to previous years where applicable.

With regards to the lodging data found in this report; while virtually every chain in the United States provides Smith Travel Research (STR) with data on almost all of their properties, there are still some hotels that don't submit data. However, every year STR examines listings and directories for information on hotels that don't provide data. STR calls each hotel in the database every year to obtain "published" rates for multiple categories. Based on this information all hotels are grouped - those that report data and those that don't - into groupings based off of price level and geographic proximity. They then estimate the non-respondents based on nearby hotels with similar price levels.

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Section 1: Statewide Tourism Indicator Analysis for August 2010

Chart 1 – Hotel/Motel Occupancy in North Carolina - August 2006 – 2010

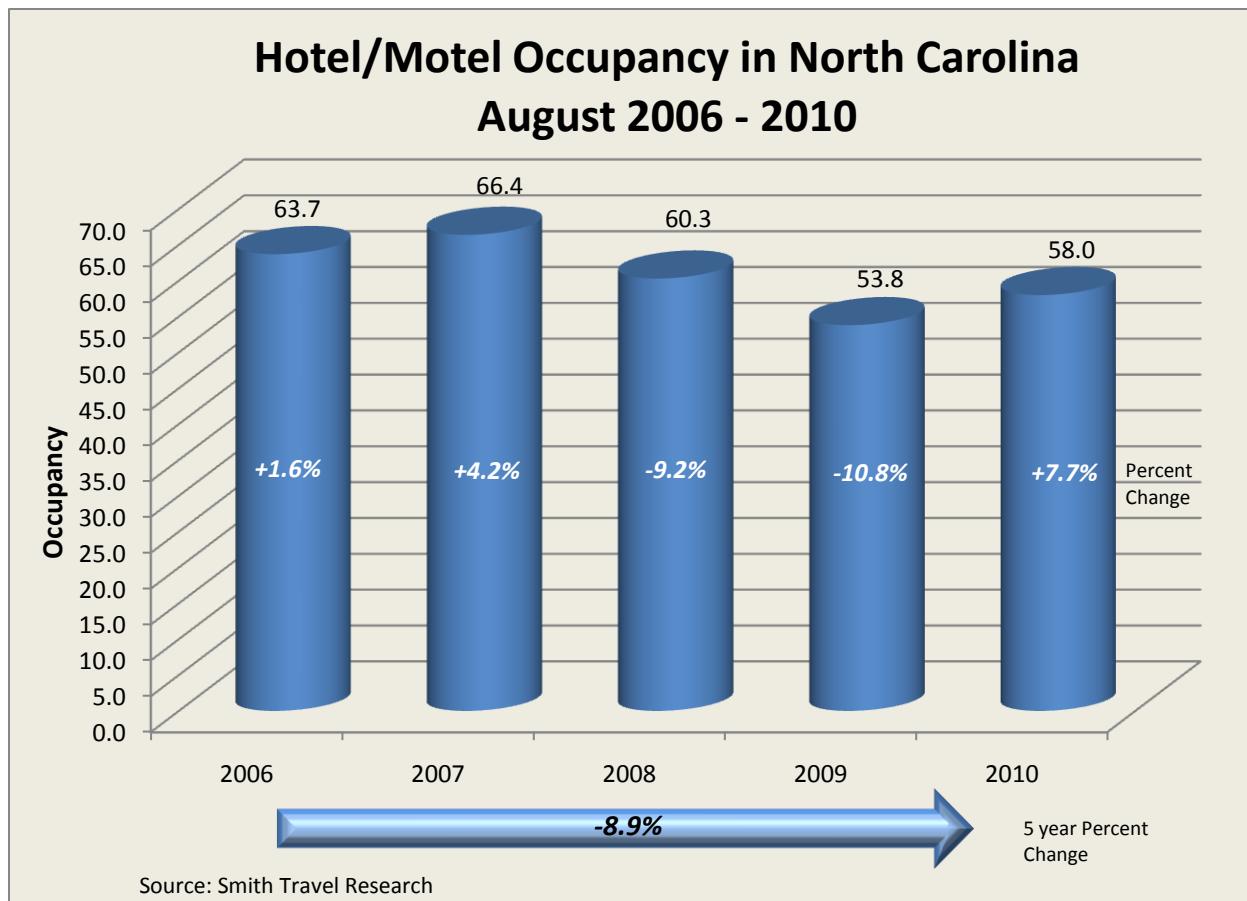


Chart 1 provides a comparison over a five year period to show the trend of occupancy in the state for the month of August. Occupancy for August 2010 was up nearly eight percent from August 2009. This was the seventh consecutive month of year over year positive occupancy growth. *Occupancy at the national level increased by six percent in August 2010 from the previous year.*

Chart 2 – Hotel/Motel Average Daily Room Rate in North Carolina - August 2006 – 2010

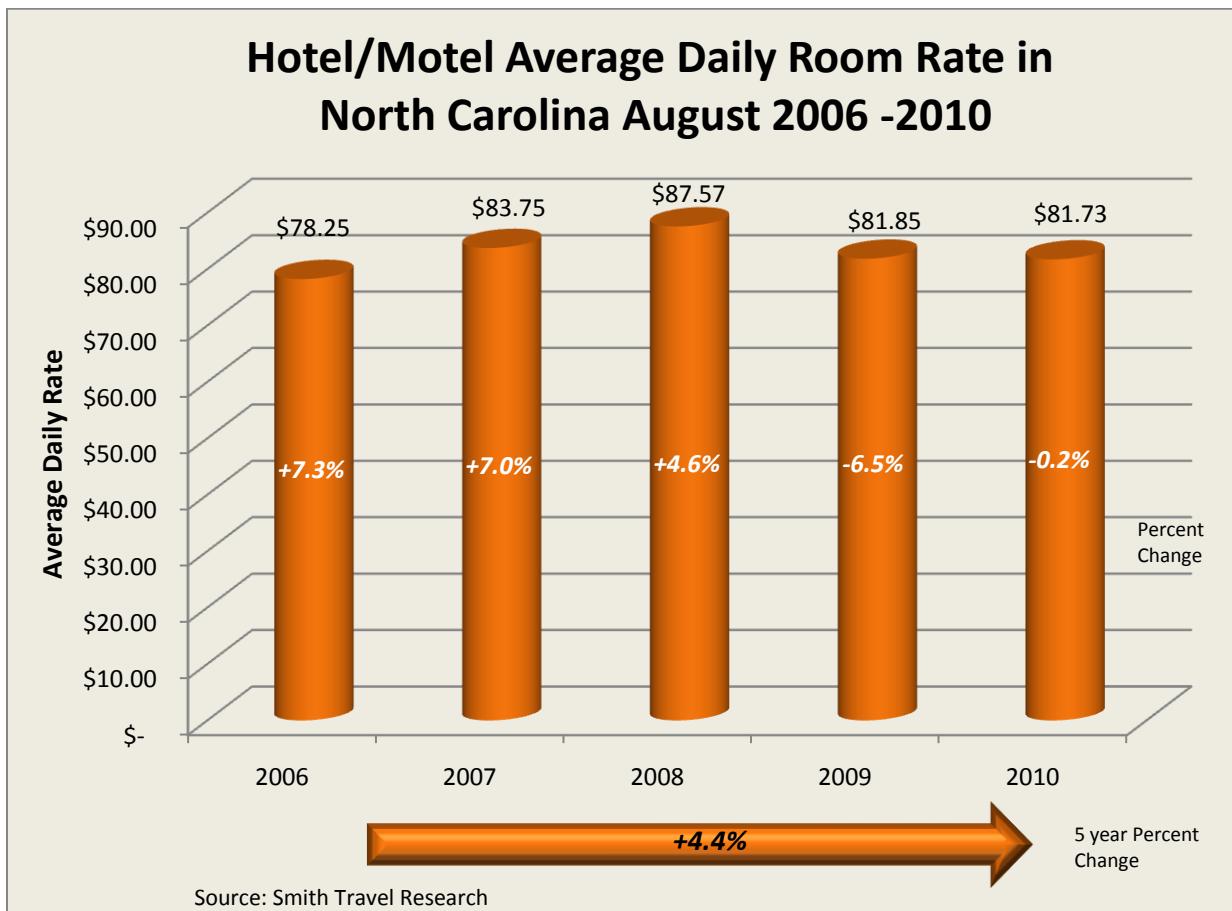
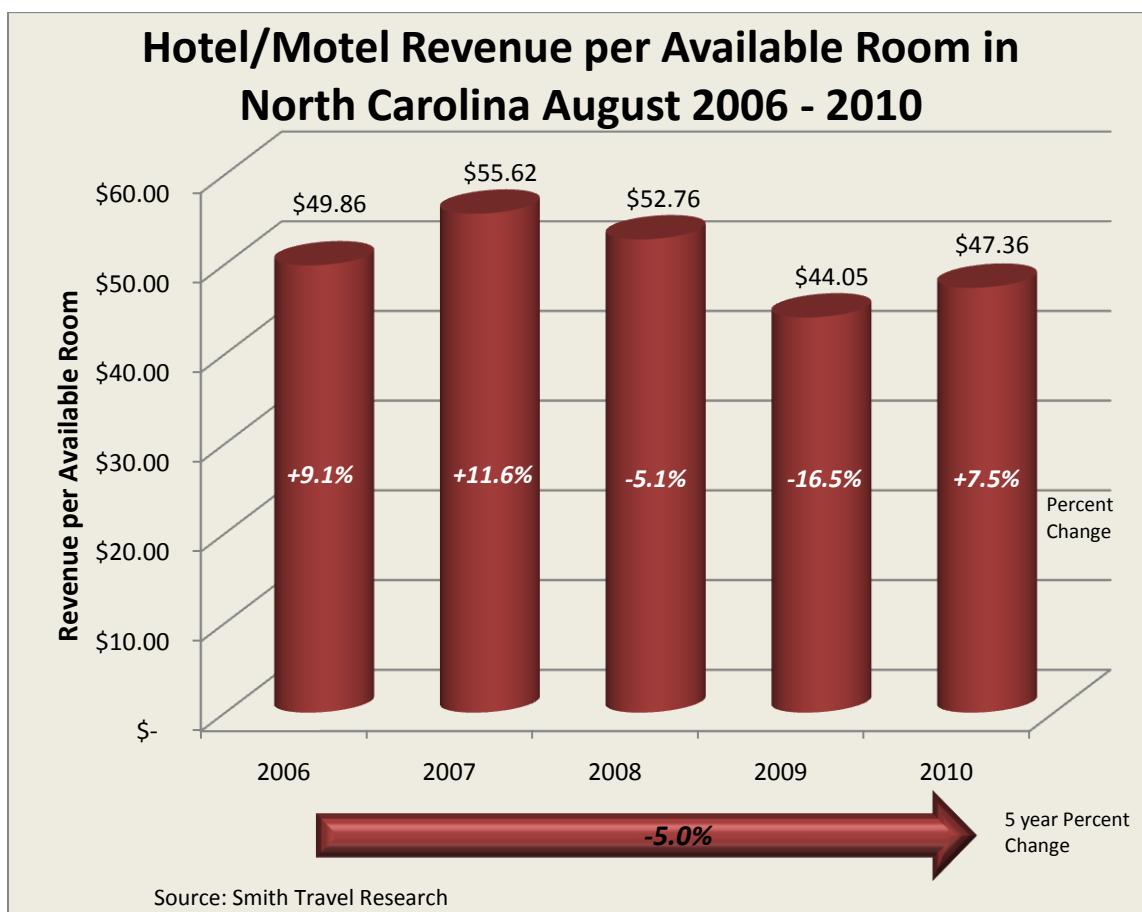


Chart 2 provides a comparison over a five year period to show the trend of average daily room rate (ADR) in the state for the month of August. After peaking in August 2008, ADR for past two years has decreased four percent, and is still below 2007 levels. *ADR at the national level was up 1.5% in August 2010 from the previous August.*

Chart 3 – Hotel/Motel Revenue per Available Room in North Carolina - August 2006 – 2010



In Chart 3 an analysis of Revenue per Available Room (RevPAR) is provided. RevPAR is an industry term that describes the revenue that a hotel earns on the basis of just the rooms available for a given night. In other words, rooms not available either due to renovation or other reasons are not included in this equation. Mathematically, RevPAR can be determined dividing total room revenue by rooms available (occupancy times average room rate will closely approximate RevPAR).

As with previous charts, Chart 3 shows a comparison over a five year period to show the trend of RevPAR in the state for the month of August. RevPAR was up in August 2010, continuing the positive growth that started in March. *RevPAR at the national level was up 8.1% in August 2010 from the previous August.*

Chart 4 – Hotel/Motel Room Demand in North Carolina – August 2006 – 2010

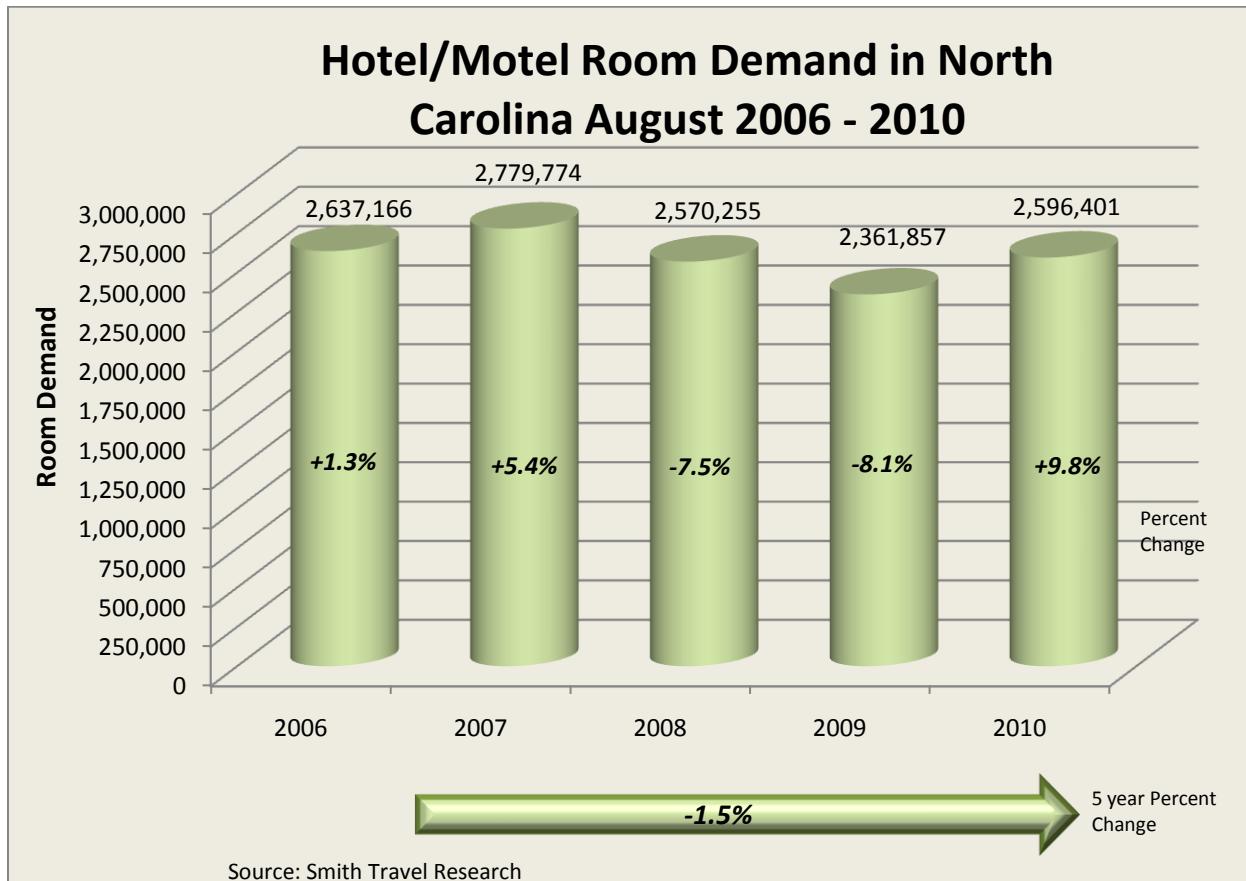


Chart 4 depicts hotel/motel demand for the month of August 2010 with comparisons to the previous four years. Demand is the number of rooms sold excluding complimentary rooms. Room demand for August was up ten percent from August 2009. *Room Demand at the national level saw an increase of 8.3% change in August 2010 from the previous August.*

Chart 5 – North Carolina Lodging Statistics Monthly Percent Change 2008 – 2010

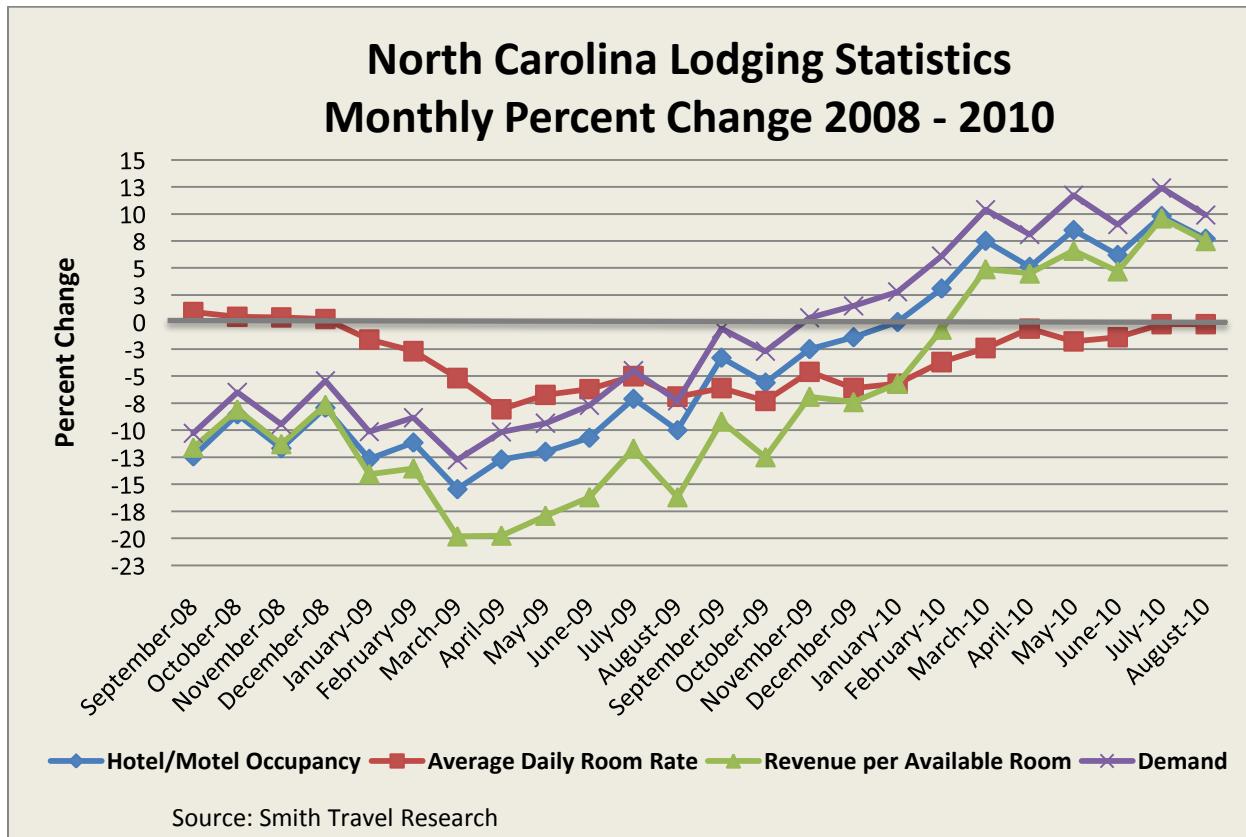


Chart 5 provides a monthly percent change for the four major lodging indicators. The chart allows for a 24 month trend-line analysis that clearly depicts that the major indicators show a steady negative change. After over a year of negative percent change for all indicators, occupancy and demand has shown relative increases the last few months. As well, RevPAR finally moved above 0% increase in March and has continued positive growth since then. ADR still lags, though better than any month in the last year in terms of growth.

Chart 6 – Statewide Visitation to Attractions - August 2006 – 2010

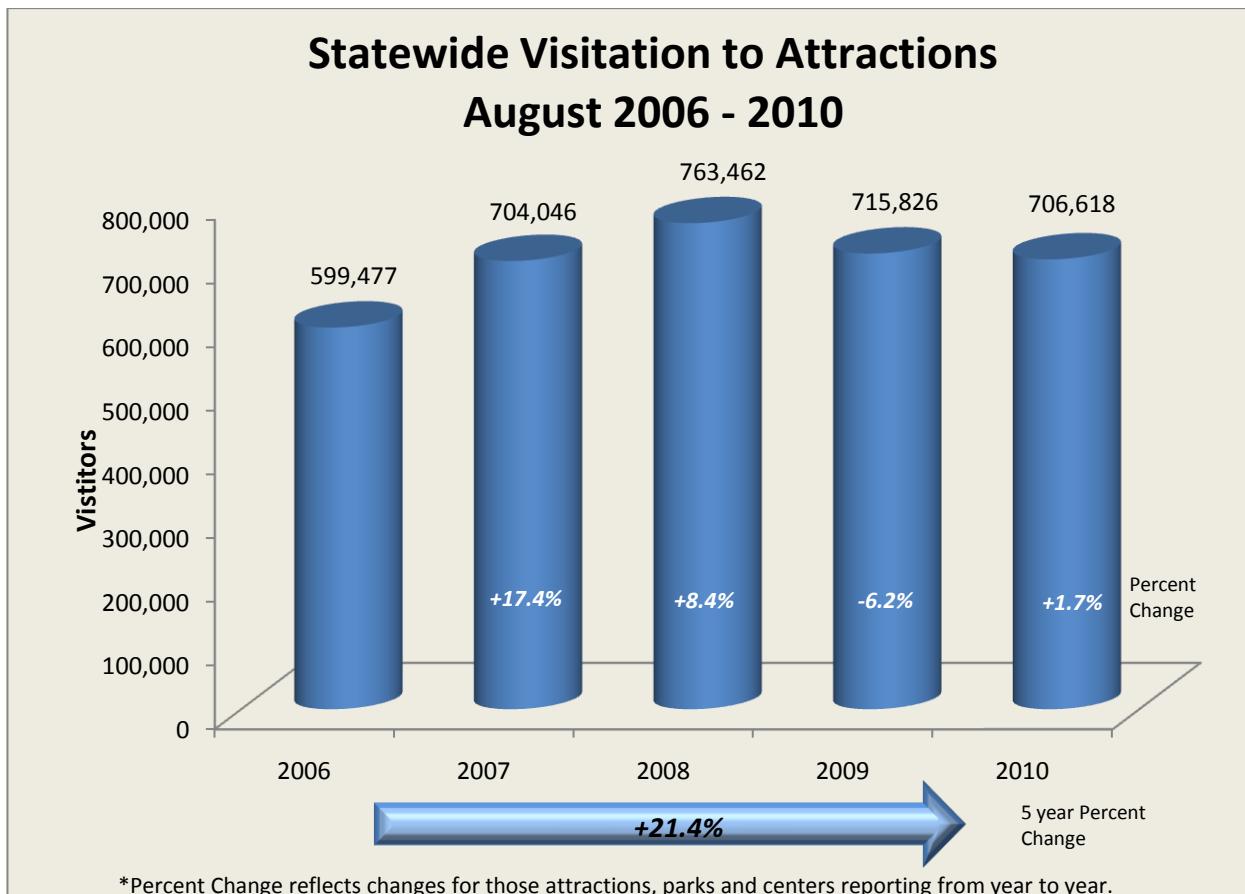


Chart 6 provides a status of the attractions industry in North Carolina for the month of August for the last five years. The numbers represent only a sample of North Carolina attractions that provide their attendance data, and are not intended to be considered a complete list of attractions. However, the wide variation of type and location of the participating attractions allow for a valid aggregate trend analysis on a monthly basis, particularly when tracking percent change. Missing values for attractions who regularly report have been estimated until visitation can be verified. These estimates are not included in percent change calculations from August 2009 to August 2010.

There was an increase of nearly two percent in attraction visitation from August 2009 to August 2010.

Chart 7 – Statewide Visitation to Attractions Monthly History 2006 – 2010

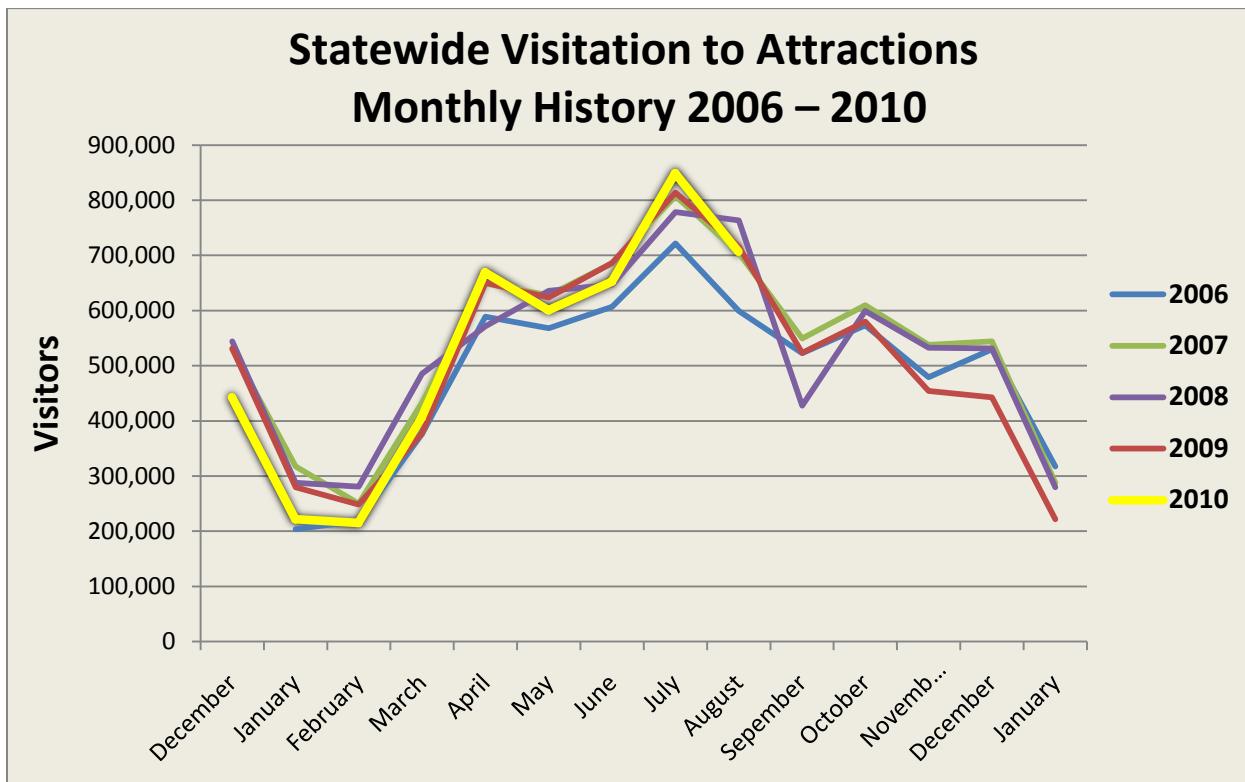


Chart 7 shows a monthly trend of attraction visitation for each of the last five years. This chart allows for a view of the ebb and flow of monthly attraction attendance, while also providing a look at how attendance compares to the same month of the previous years. Not surprisingly, the summer months see higher visitation numbers at statewide attractions. However, it is helpful to view how visitation is allocated by month for strategic planning purposes.

Again, the numbers represent only a sample of North Carolina attractions that provide their attendance data, and are not intended to be considered a complete list of attractions. However, the wide variation of type and location of the participating attractions allow for a valid aggregate trend analysis on a monthly basis.

Chart 8 – State Welcome Center and Local Visitor Center Attendance - August 2006 – 2010

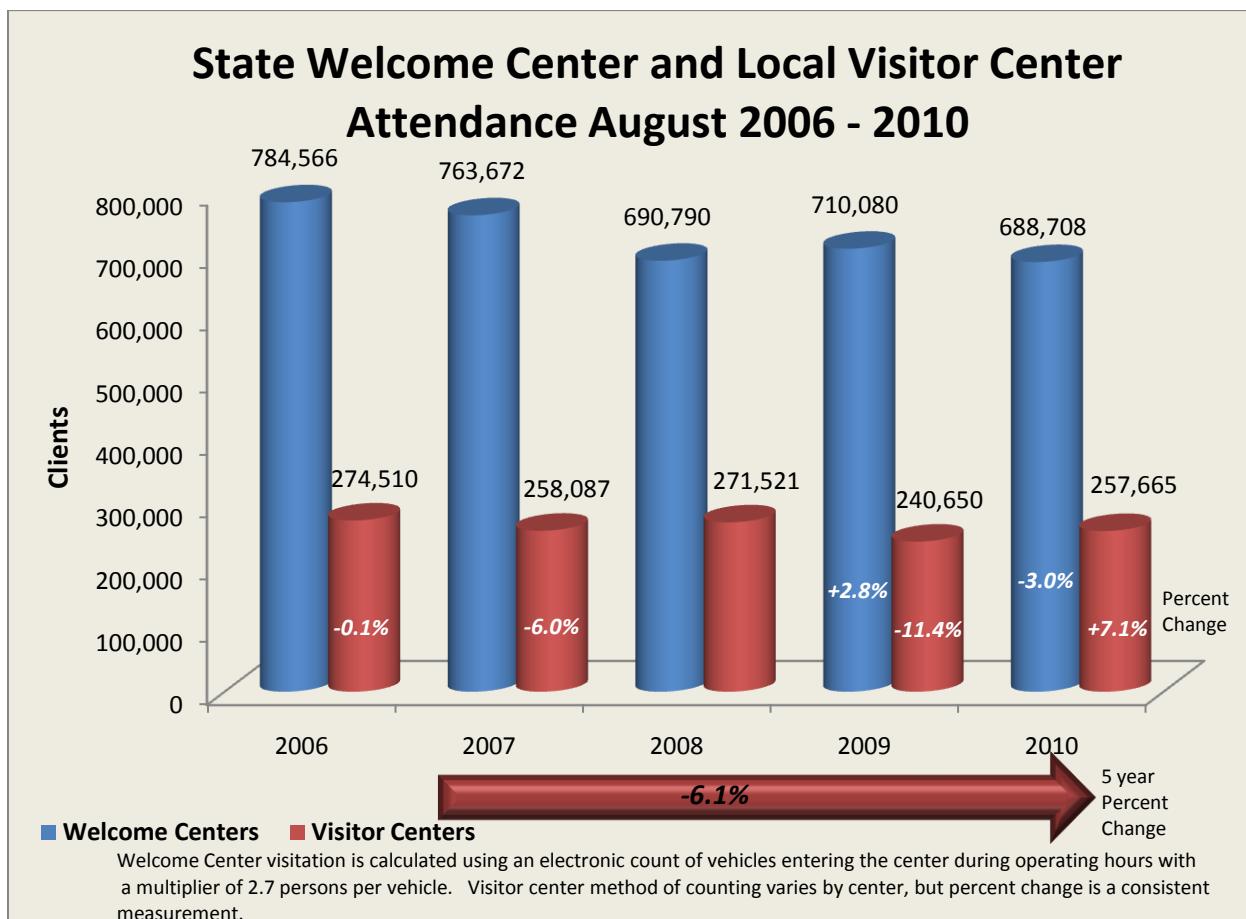


Chart 8 provides August visitation statistics for State Welcome Centers, as well as Local Visitor Centers throughout North Carolina. It should be noted that while there is a percent change indicated for welcome centers for 2007-2008 and 2008-2009, 2008 was the first year a percent change could accurately be provided. The NCDOT spent several years changing the counting mechanism at the state welcome centers making comparisons between years inaccurate from the time the DOT began installation until December 2008. Therefore, previous years' percent changes are not included in this particular chart.

Chart 9 – Statewide National and State Park Visitation - August 2006 – 2010

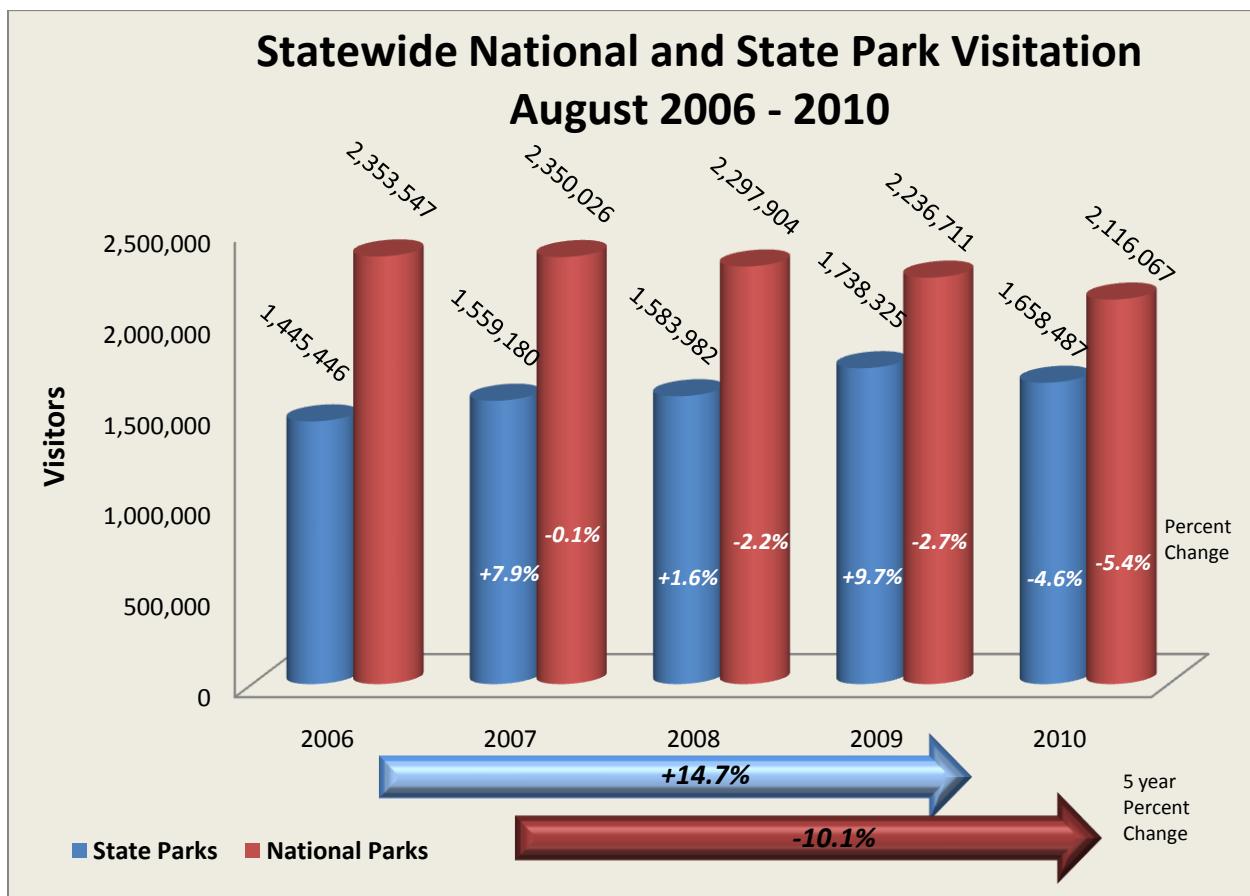
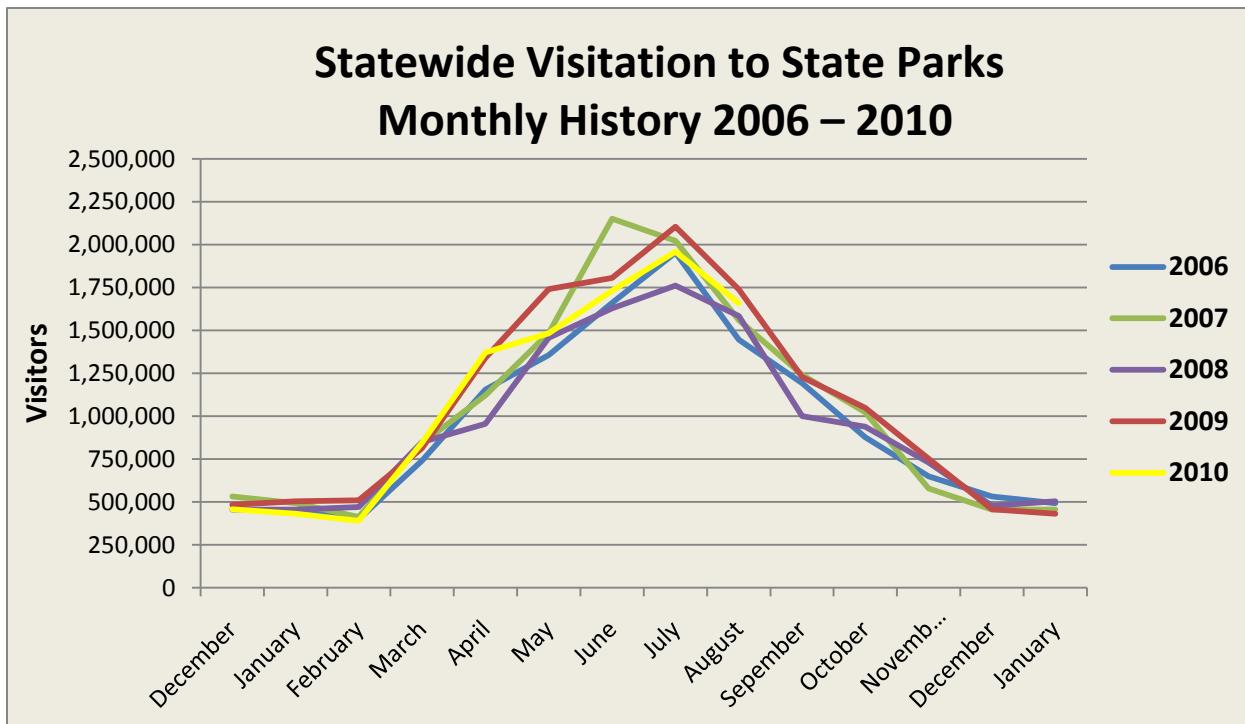


Chart 9 depicts visitation to state and national parks in North Carolina for the last five years months of August. Both state and national parks had decreases in August from the previous year, though state parks are still up almost fifteen percent for the last five years.

Chart 10 – Statewide Visitation to State Parks Monthly History 2006 – 2010



Similar to Chart 7, Charts 10 and 11 provide a monthly trend of state and national park visitation for each of the last five years. These charts help monitor the flow of monthly attraction attendance, while also providing a look at how attendance compares to the same month of the previous years. It is important to note that there are many extraneous variables that can affect visitation at attractions, and particularly at outdoor attractions. Weather, temperature and holidays are variables that should be noted when viewing unusual highs or lows in attendance.

Chart 11 – Statewide Visitation to National Parks Monthly History 2006 – 2010

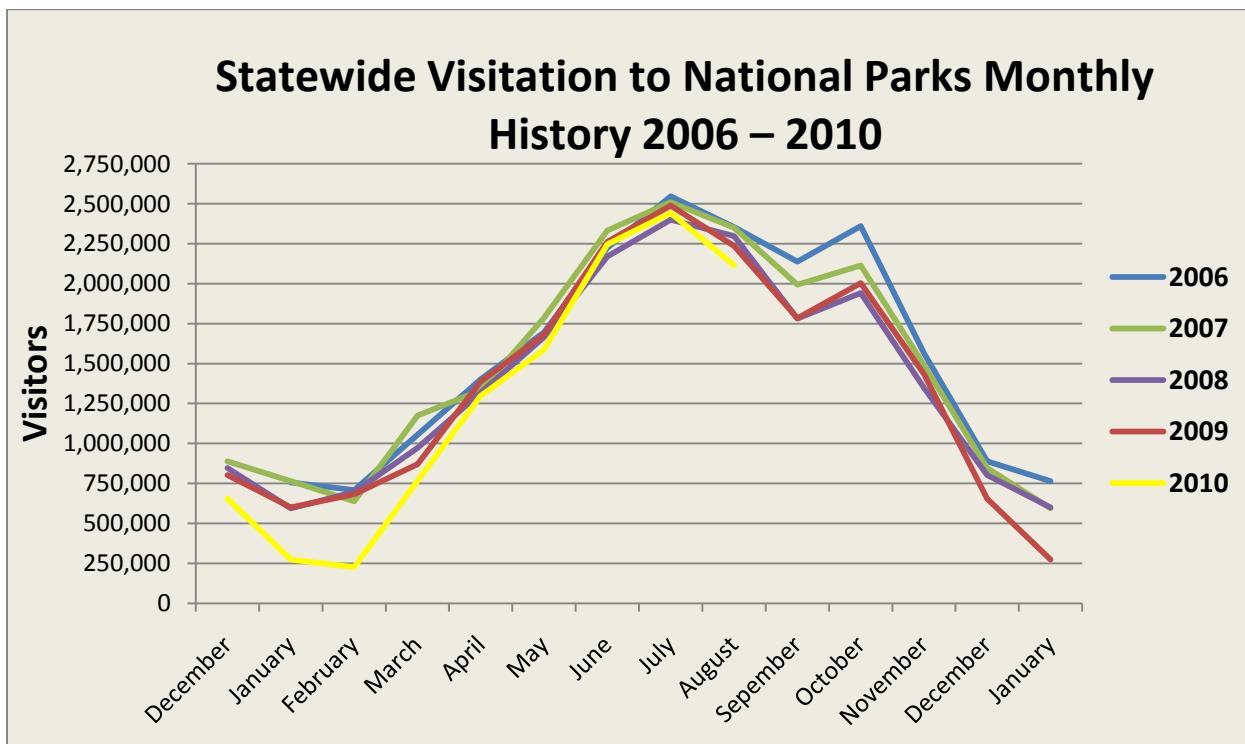


Chart 12 – Statewide Airport Arrivals and Departures - August 2006 – 2010

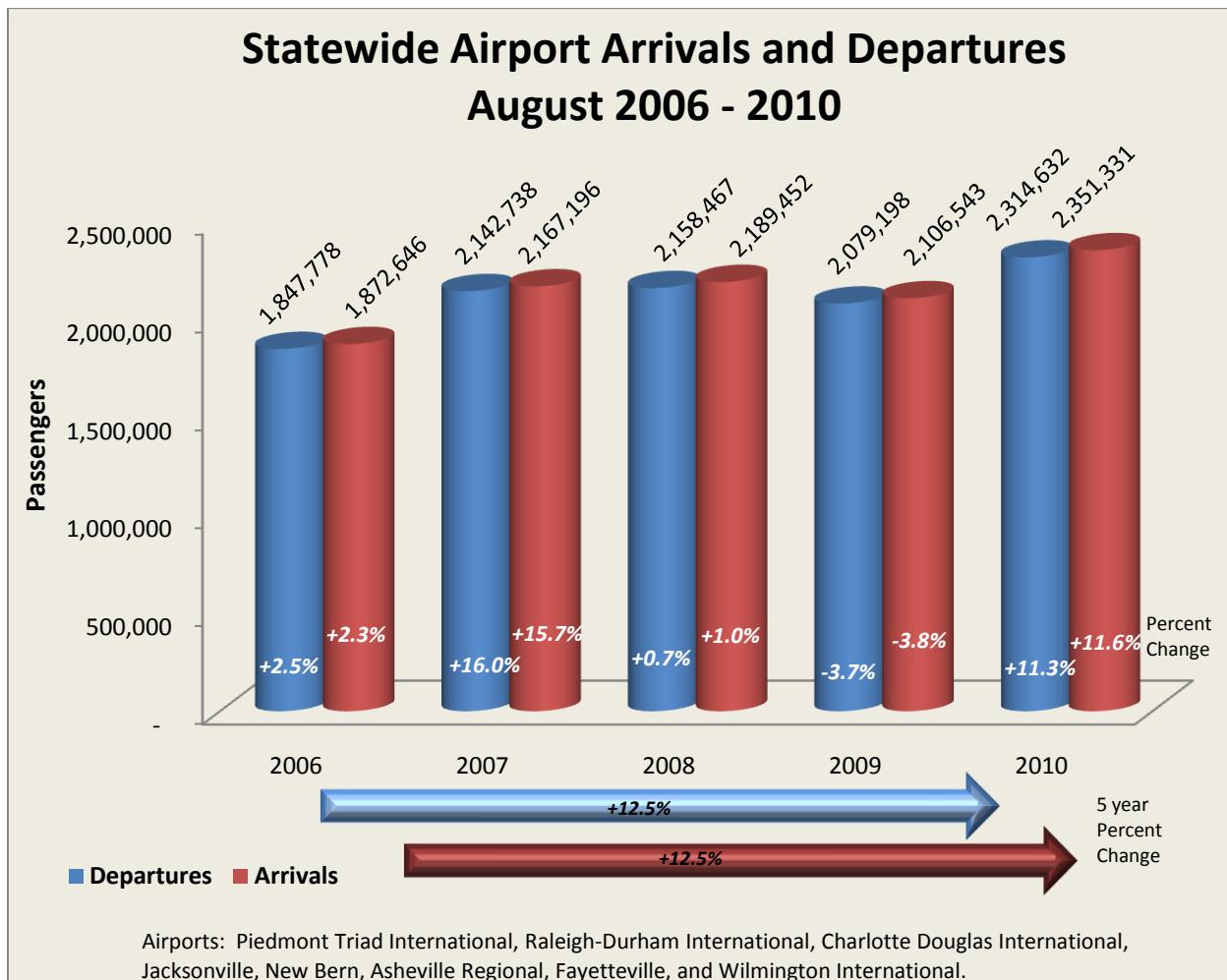


Chart 12 shows August airport arrivals and departures for each of the previous five years. The arrivals and departures increased statewide from last August, and there has been a positive five-year increase in both for the month of August.

Chart 13 – Lower Atlantic Average Monthly Retail Gas Prices for Unleaded – August 2006 – 2010

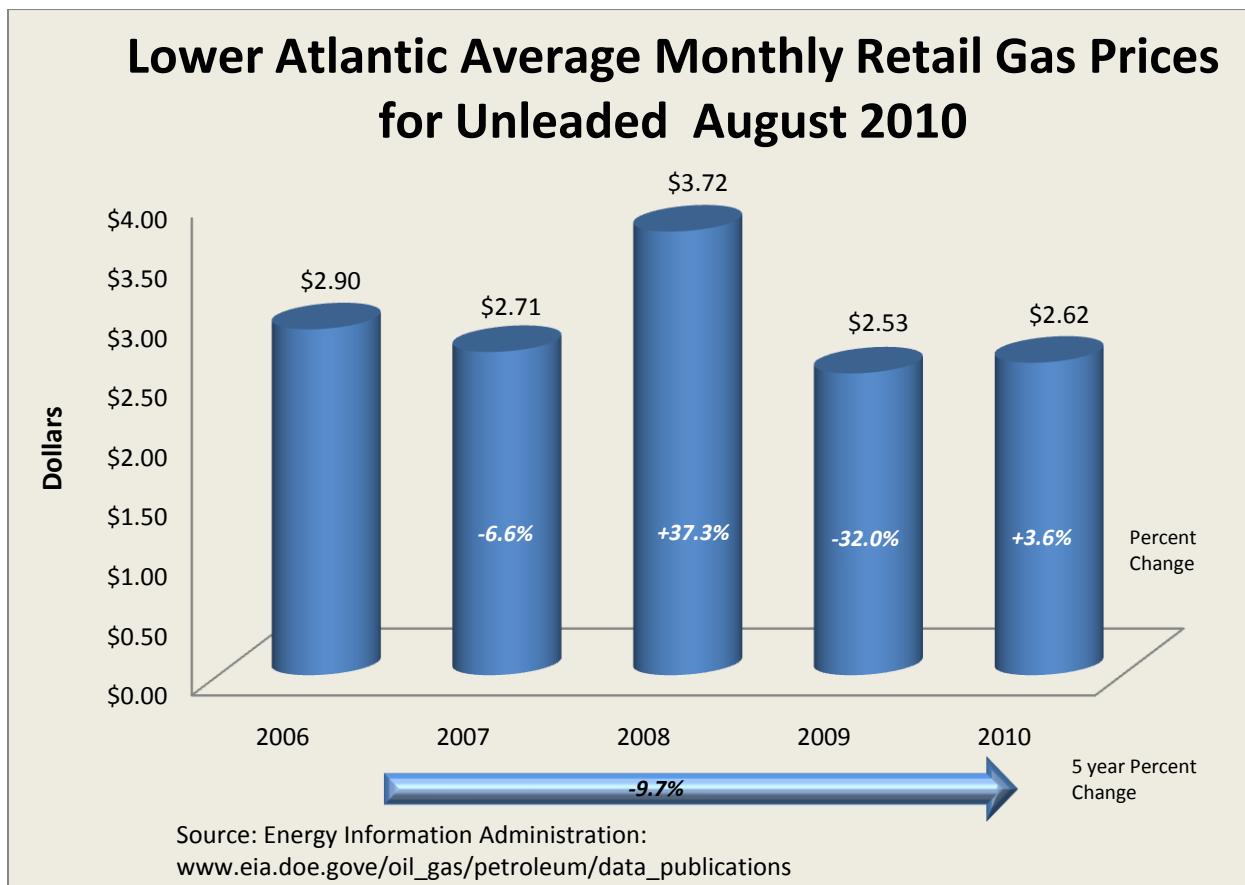


Chart 13 provides the average price per gallon of unleaded gasoline for August 2010 and the same month from the four previous years. The data provided above, when compared with other indicators such as attraction attendance and visitor spending data, can be very helpful in the analysis of general travel trends. Fuel prices in August 2010 were up slightly from last August, though still well below 2008, and earlier year, prices.

Chart 14 – North Carolina Average Temperature and Precipitation – August 2009 – 2010

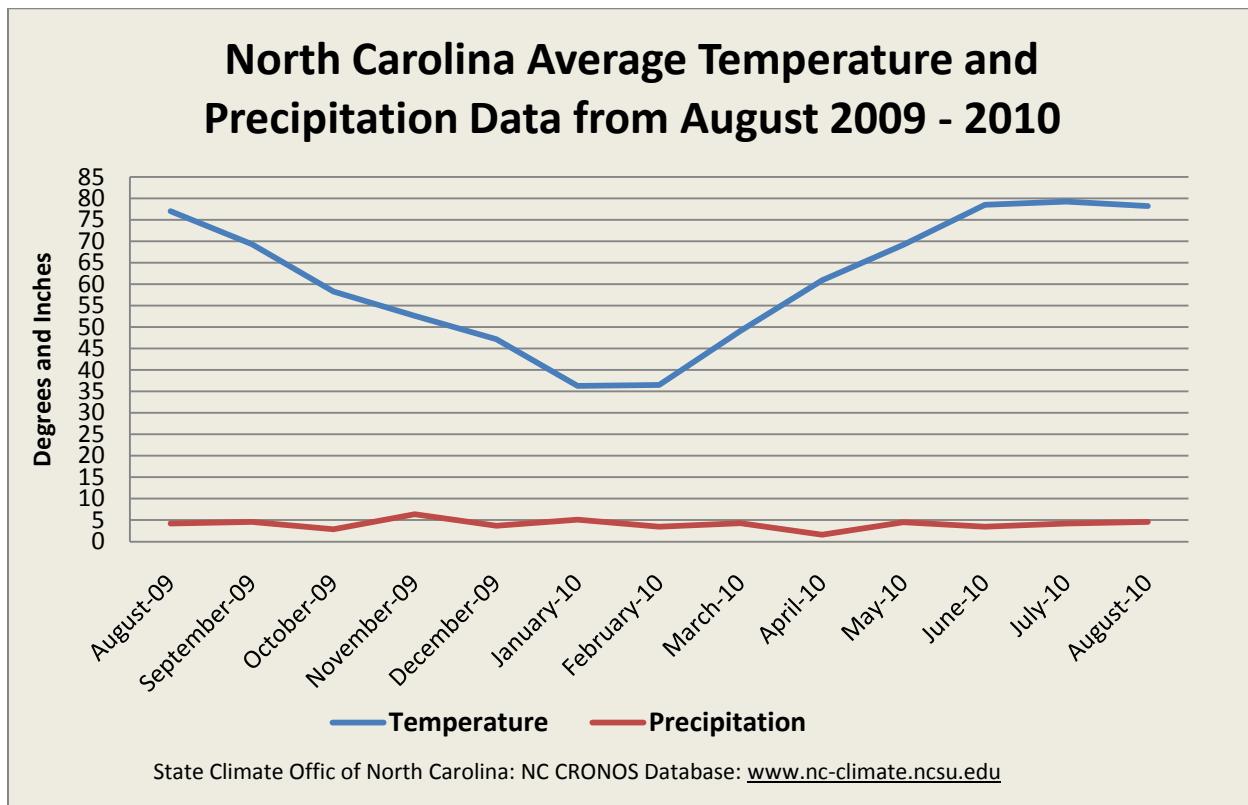


Chart 14 provides 13 months of air temperature and precipitation. This data, when analyzed together with gas price data and other tourism indicators, can be valuable in determining possible reasons for significant increases and/or decreases in indicators. For instance, greater than normal precipitation during a particular month can often help explain decreases in attendance at outdoor attractions.

August 2010 had a higher average temperature than 2009, and there was slightly more precipitation in August 2010 than 2009.

Section 2 – Geographic Marketing Region (Coast/Piedmont/Mountain) Tourism Indicator Analysis for August 2010

Chart 15 – Hotel/Motel Statistics by Geographic Region - August 2010

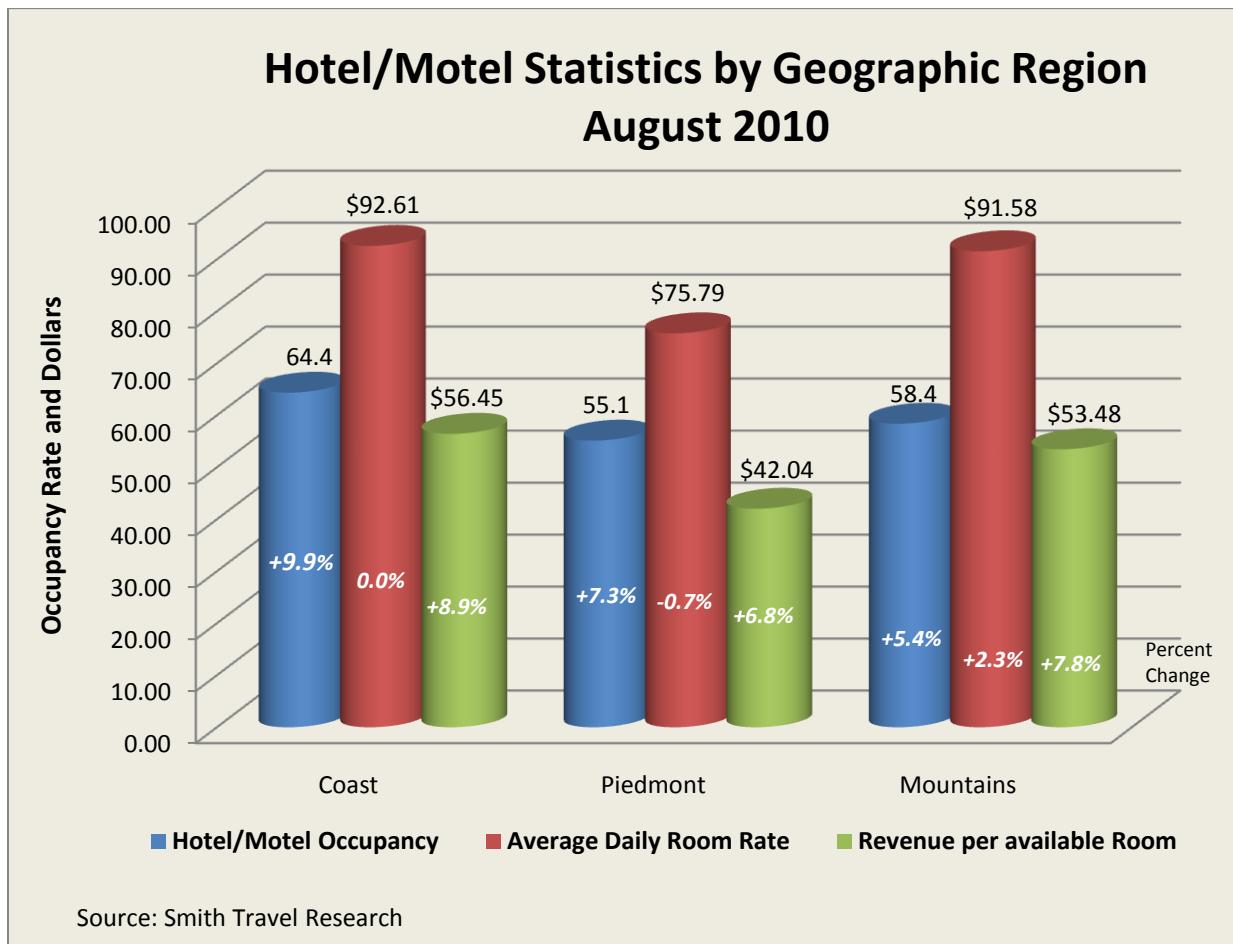


Chart 15 provides a one year comparison in lodging statistics for the three geographic marketing regions of North Carolina in August. Occupancy and RevPAR in August 2010 increased in all three regions, but ADR still lags very slightly in the Piedmont Region.

Chart 16 – Hotel/Motel Room Demand by Geographic Region - August 2010

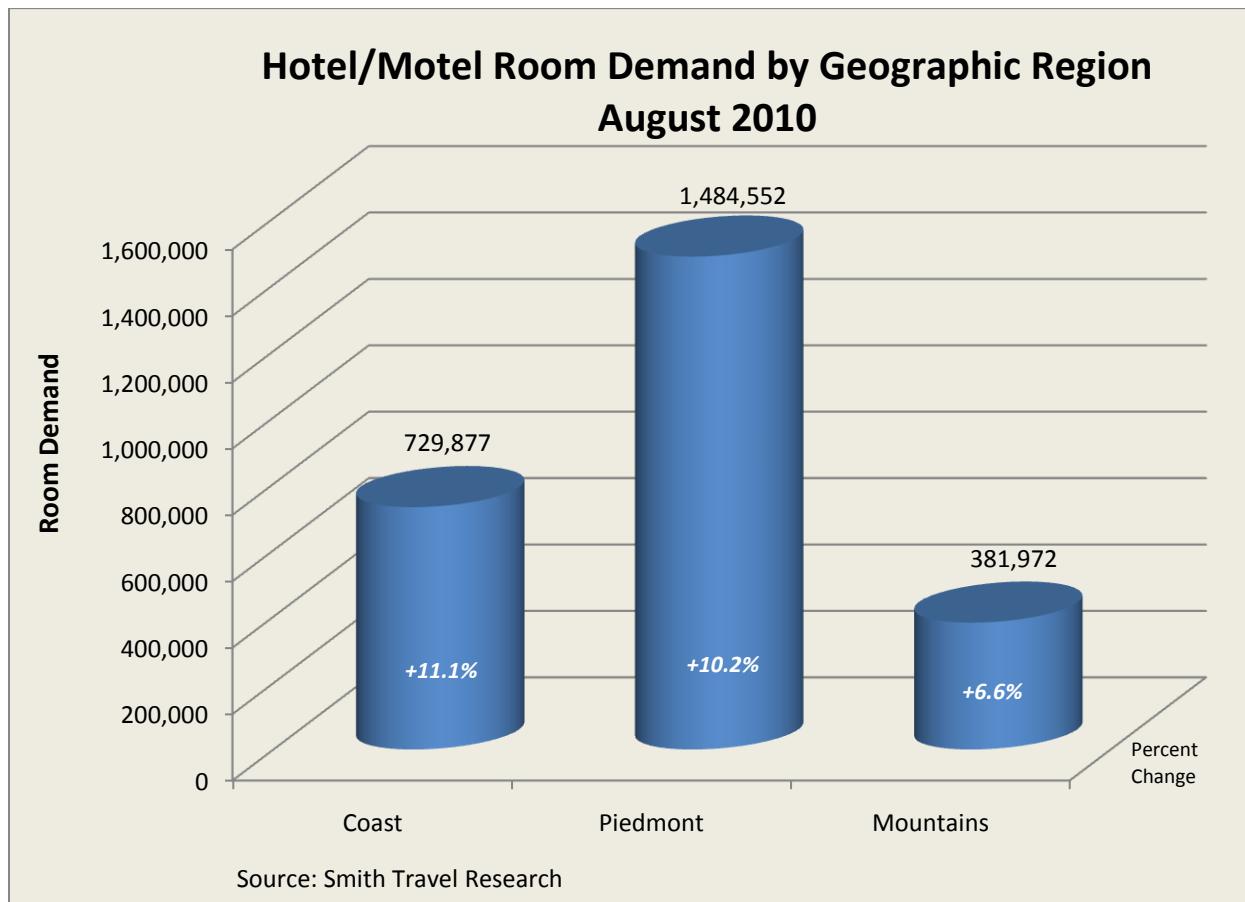


Chart 16 provides hotel/motel demand by geographic region for August 2010. Demand differs from occupancy in that it is the total number of rooms sold, not accounting for differences in room supply. The Coastal Region experienced an eleven percent positive change in demand from August 2009 to August 2010, and the Piedmont Region had a ten percent increase from 2009.

Chart 17 – Visitation to Attractions and Parks by Geographic Region – August 2010

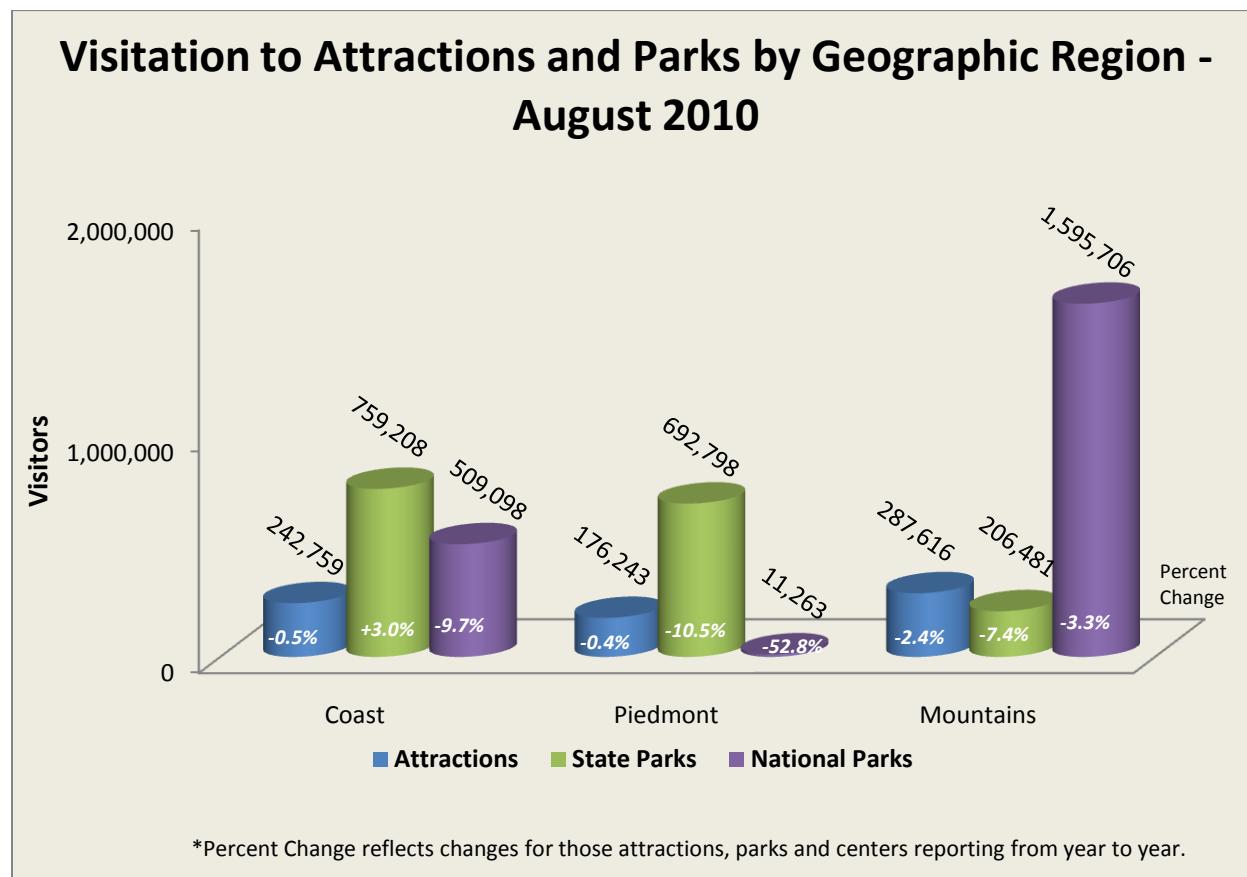


Chart 17 provides a look at the attractions industry in North Carolina in August 2010 by geographic region. As with the statewide numbers, the following data represents only a sample of North Carolina attractions that provide their attendance data, and are not intended to be considered a complete list of attractions. However, the wide variation of type and location of the participating attractions allow for a valid aggregate trend analysis on a monthly basis.

The Coastal Region showed an increase in state park attendance as compared to last August. However, the Mountain and Piedmont regions experienced a difficult month in terms of park attendance.

Chart 18 – State Welcome Center and Local Visitor Center Attendance by Geographic Region – August 2010

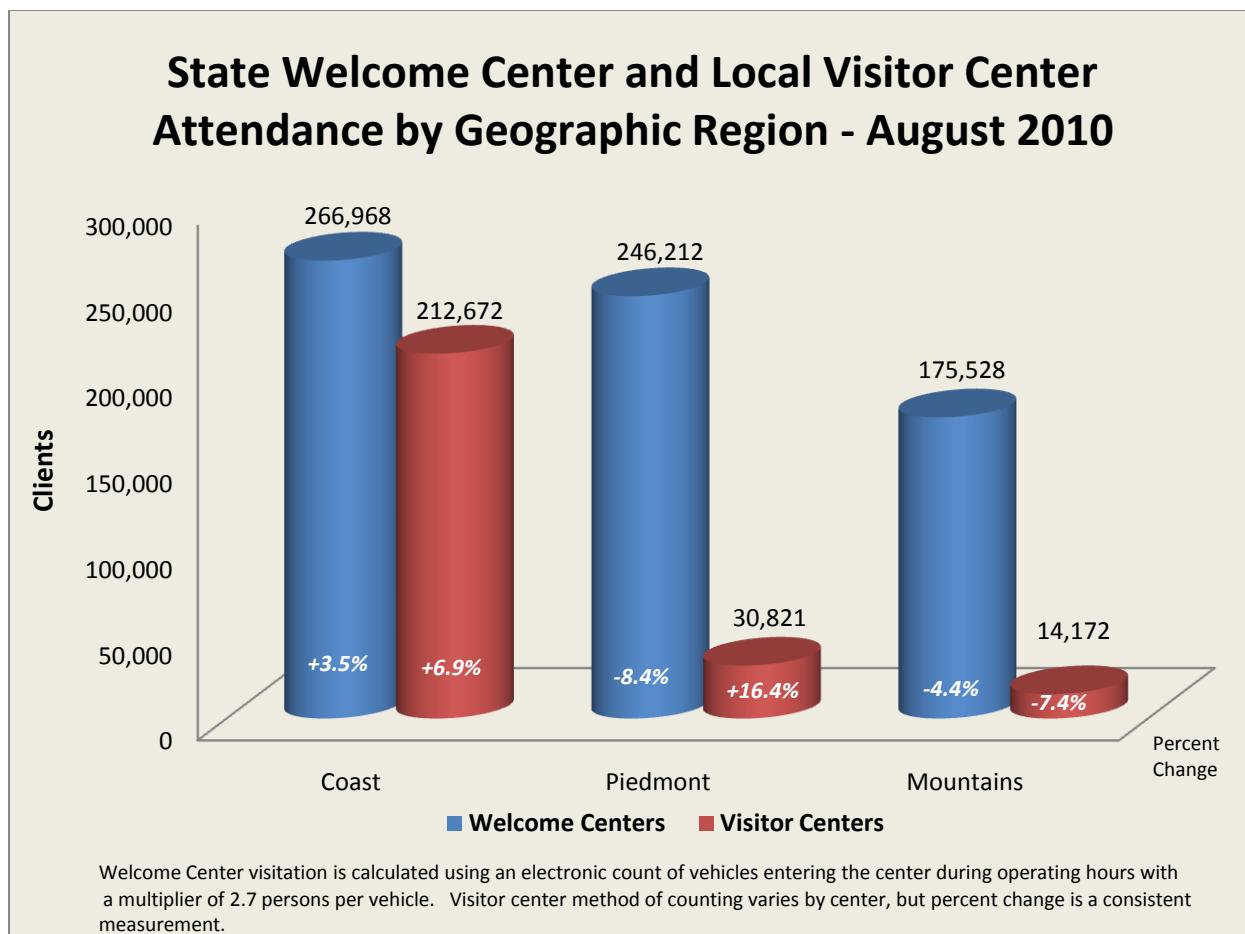


Chart 18 shows welcome center and visitor center attendance by geographic region and offers comparisons from August 2009. Coastal Region welcome centers experienced increases from August 2009. However, the centers in the Mountain and Piedmont regions saw decreases in visitation. Piedmont Region visitor centers saw great growth from 2009 to 2010.

Chart 19 – Airport Arrivals and Departures by Geographic Region – August 2010

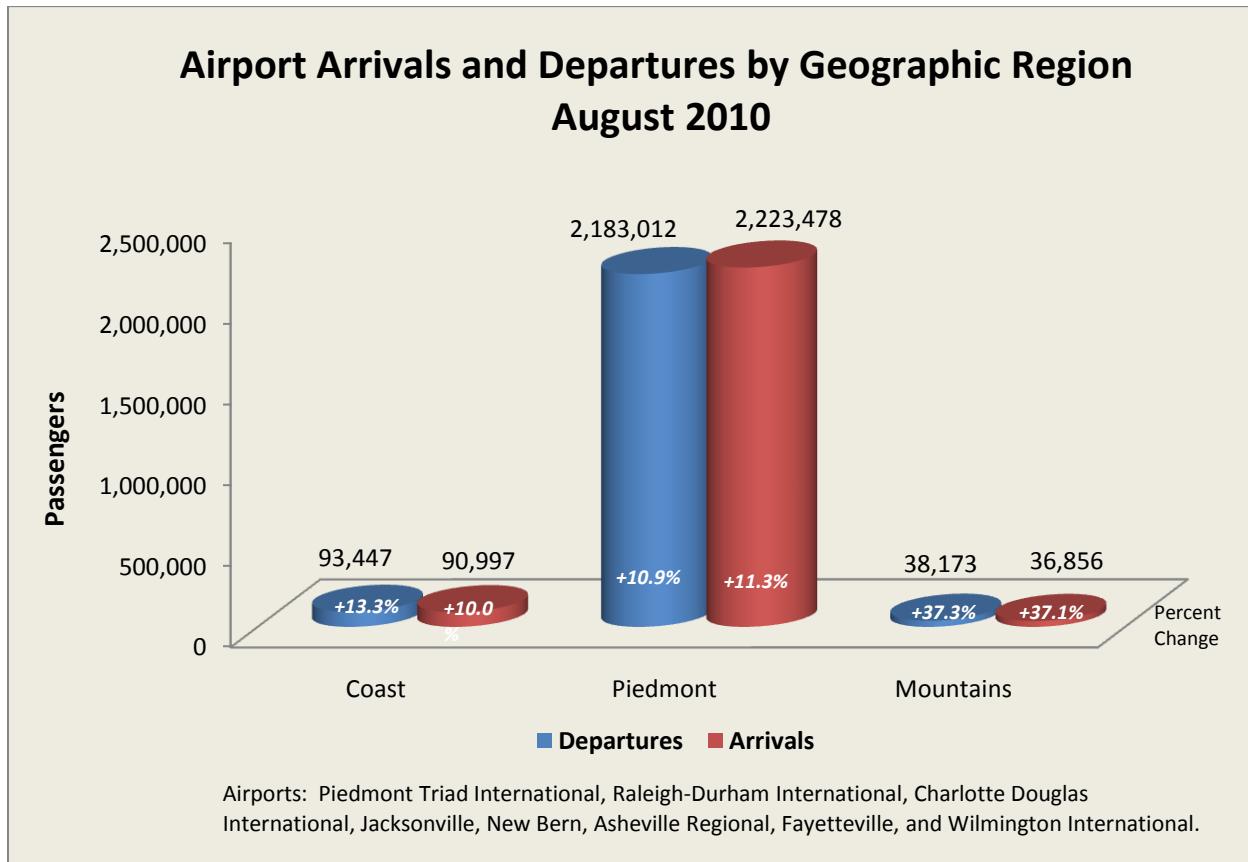


Chart 19 provides a breakdown of air travel statistics by geographic region. While the majority of air traffic is through the Piedmont Region, it is helpful to maintain a trend of other regional airport usage. The Mountain Region showed extremely strong growth of over thirty percent in air traffic during the month of August, while the other regions saw very positive increases from last year as well.

Section 3: Economic Development Region Tourism Indicator Analysis – August 2010

The seven economic regions include:

- 1 – Northeast (Bertie, Camden, Chowan, Currituck, Gates, Halifax, Hertford, Northampton, Pasquotank, Perquimans, Beaufort, Dare, Hyde, Martin, Tyrrell, Washington).
- 2 – Eastern (Carteret, Craven, Jones, Onslow, Pamlico, Duplin, Edgecombe, Green, Lenoir, Nash, Pitt, Wayne, Wilson).
- 3 – Southeast (Brunswick, Columbus, New Hanover, Pender, Bladen, Cumberland, Hoke, Richmond, Robeson, Sampson, Scotland).
- 4 – Triangle (Franklin, Harnett, Johnston, Vance, Wake, Warren, Chatham, Durham, Granville, Lee, Moore, Orange, Person).
- 5 – Triad (Alamance, Caswell, Guilford, Montgomery, Randolph, Rockingham, Davidson, Davie, Forsyth, Stokes, Surry, Yadkin).
- 6 – Carolinas (Alexander, Catawba, Cleveland, Iredell, Rowan, Anson, Cabarrus, Gaston, Lincoln, Mecklenburg, Stanly, Union).
- 7 – Western (Alleghany, Ashe, Avery, Buncombe, Burke, Caldwell, Clay, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Polk, Rutherford, Swain, Transylvania, Watauga, Wilkes, Yancey).

Chart 20 – Hotel/Motel Statistics by Economic Development Region - August 2010

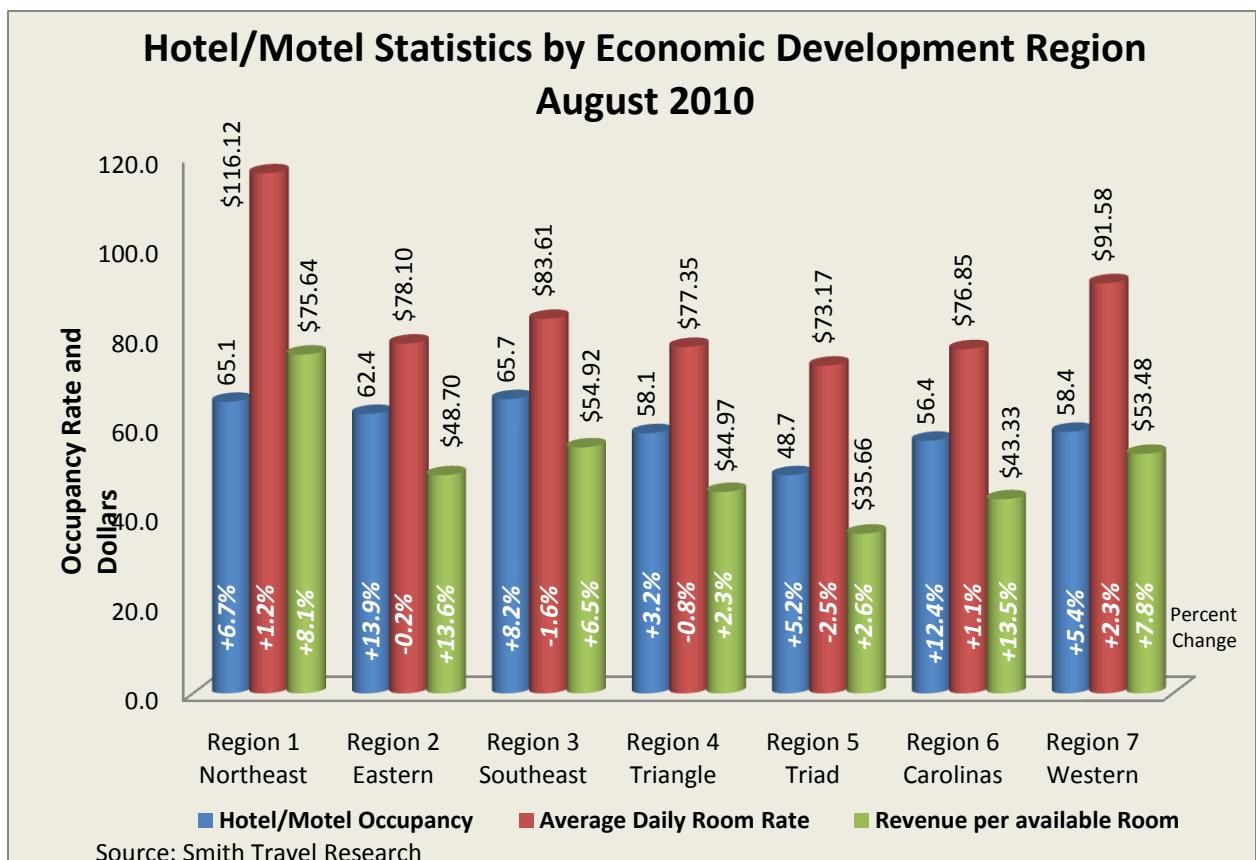


Chart 20 provides lodging indicators for August 2010 by economic development region. Also shown are percent changes from August 2009. This graph allows individual regions within the state to track indicators specific to their general destinations, while still being able to compare their data to the state data shown in Section 1.

Chart 21 – Hotel/Motel Room Demand by Economic Development Region - August 2010

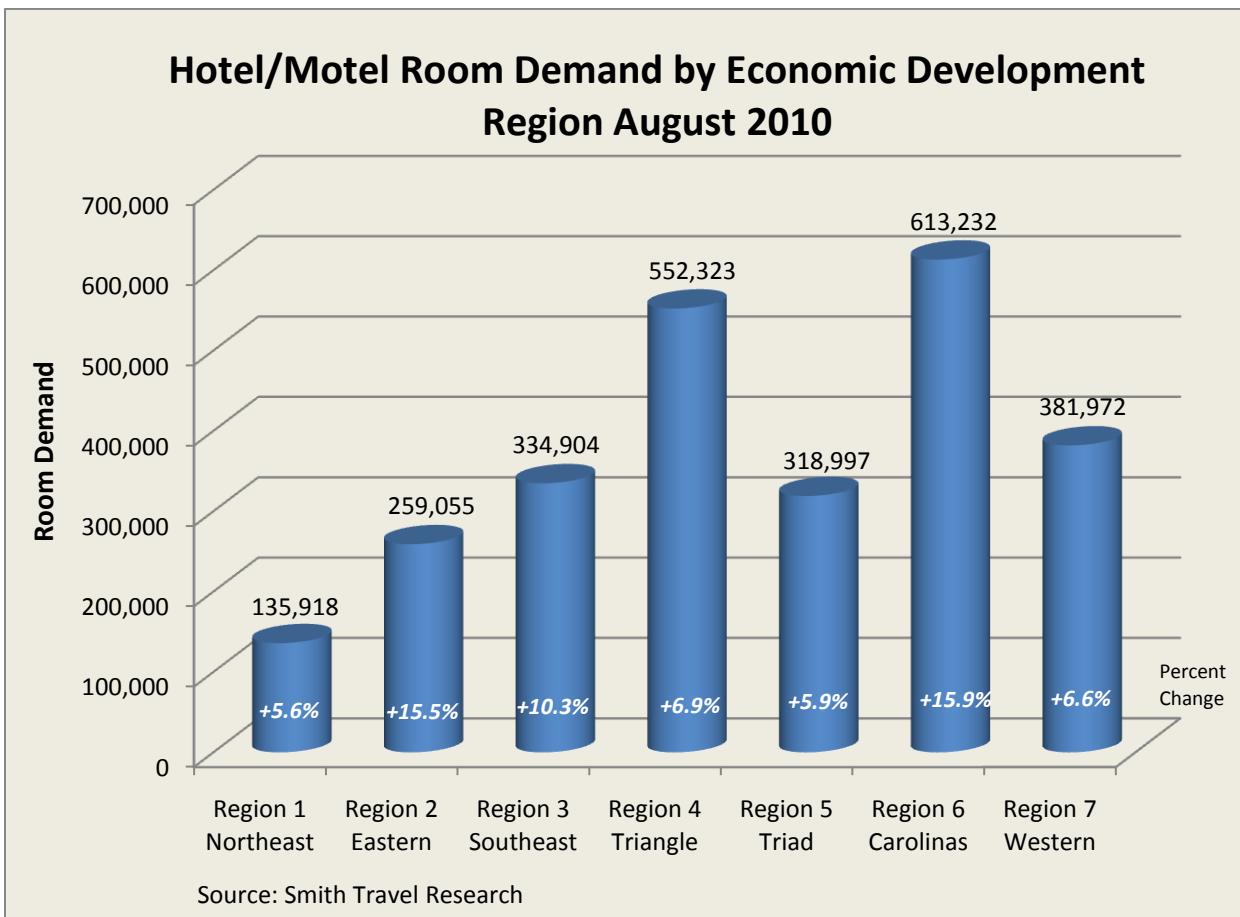


Chart 21 depicts hotel/motel demand for the month of August 2010 by economic development region. Demand is the number of rooms sold excluding complimentary rooms. All regions showed increased demand from August 2009 to 2010. Three regions had increases of over ten percent in demand from August 2009 to August 2010.

Section 4: National Travel Price Index

The Travel Price Index (TPI) measures the seasonally unadjusted inflation rate of the cost of travel away from home in the United States. The TPI is based on U.S. Department of Labor price data collected for the monthly Consumer Price Index (CPI). The TPI is released monthly and is directly comparable to the CPI.

Variables included in calculating the TPI:

Recreation Services
Food and Beverage
Alcohol Away From Home

Food Away from Home
Other Lodging (Include Hotel/Motel)
Transportation

Airline Fares
Intra-city Public Transportation
Motor Fuel
Other Intercity Transportation

Chart 22 – National Travel Price Index December 2006 – August 2010



Chart 22 provides a four year trend of the National Travel Price Index (TPI). Steady growth was experienced through mid-2008; however in November 2008, it is clear that as the TPI fell below 2007 levels, the tourism industry began feeling the full effect of the recession. For most of 2009, the TPI remained slightly at or below the 2007 level. Through August 2010, the TPI has remained above 2007 and 2009, though still below 2008.

*Hotel/Motel statistics are from Smith Travel Research, Inc.; all other figures are from the Division of Tourism.

North Carolina Division of Tourism, Film and Sports Development

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